

# OFFICE OF PERSONNEL MANAGEMENT

## Federal Funds

### OFFICE OF PERSONNEL MANAGEMENT

#### SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management (OPM) pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed \$2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of OPM and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, **[\$96,039,000] \$120,688,000**, of which **\$2,500,000** shall remain available until expended for *Federal investigations enhancements*, and of which **[\$642,000] \$616,000** may be for strengthening the capacity and capabilities of the acquisition workforce (as defined by the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 4001 et seq.)), including the recruitment, hiring, training, and retention of such workforce and information technology in support of acquisition workforce effectiveness or for management solutions to improve acquisition management; and in addition **[\$118,425,000] \$124,550,000** for administrative expenses, to be transferred from the appropriate trust funds of OPM without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by sections 8348(a)(1)(B), 8958(f)(2)(A), 8988(f)(2)(A), and 9004(f)(2)(A) of title 5, United States Code: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of OPM established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year **[2015] 2016**, accept donations of money, property, and personal services: *Provided further*, That such donations, including those from prior years, may be used for the development of publicity materials to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission. (*Financial Services and General Government Appropriations Act, 2015.*)

#### Program and Financing (in millions of dollars)

Identification code 024-0100-0-1-805	2014 actual	2015 est.	2016 est.
<b>Obligations by program activity:</b>			
0001 Employee Services .....	29	27	32
0002 Merit System Audit & Compliance .....	14	13	13
0003 Office of the Chief Financial Officer .....			1
0004 Office of the Chief Information Officer .....	11	9	31
0005 Executive Services .....	26	18	21
0006 Planning & Policy Analysis .....	7	17	9
0007 Health and Insurance .....	11	12	12
0008 Federal Investigative Services .....			2
0100 Total direct program .....	98	96	121
0799 Total direct obligations .....	98	96	121
0801 Trust Fund activity .....	281	118	124
0900 Total new obligations .....	379	214	245
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	12	14	14
1021 Recoveries of prior year unpaid obligations .....	2		
1050 Unobligated balance (total) .....	14	14	14
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	96	96	121
1160 Appropriation, discretionary (total) .....	96	96	121
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	243	118	124
1701 Change in uncollected payments, Federal sources .....	53		
1750 Spending auth from offsetting collections, disc (total) .....	296	118	124

1900 Budget authority (total) .....	392	214	245
1930 Total budgetary resources available .....	406	228	259
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-13		
1941 Unexpired unobligated balance, end of year .....	14	14	14
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	96	91	71
3010 Obligations incurred, unexpired accounts .....	379	214	245
3011 Obligations incurred, expired accounts .....	3		
3020 Outlays (gross) .....	-381	-234	-262
3040 Recoveries of prior year unpaid obligations, unexpired .....	-2		
3041 Recoveries of prior year unpaid obligations, expired .....	-4		
3050 Unpaid obligations, end of year .....	91	71	54
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-92	-114	-114
3070 Change in uncollected pymts, Fed sources, unexpired .....	-53		
3071 Change in uncollected pymts, Fed sources, expired .....	31		
3090 Uncollected pymts, Fed sources, end of year .....	-114	-114	-114
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	4	-23	-43
3200 Obligated balance, end of year .....	-23	-43	-60
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	392	214	245
Outlays, gross:			
4010 Outlays from new discretionary authority .....	332	202	229
4011 Outlays from discretionary balances .....	49	32	33
4020 Outlays, gross (total) .....	381	234	262
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-273	-118	-124
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired .....	-53		
4052 Offsetting collections credited to expired accounts .....	30		
4060 Additional offsets against budget authority only (total) .....	-23		
4070 Budget authority, net (discretionary) .....	96	96	121
4080 Outlays, net (discretionary) .....	108	116	138
4180 Budget authority, net (total) .....	96	96	121
4190 Outlays, net (total) .....	108	116	138

OPM's mission is to recruit, retain and honor a world-class workforce for the American people. OPM will lead the way in making the Federal Government the model employer by being the model agency in implementing best practices, leading by example, and becoming the change we want to see. The 2016 Budget will permit OPM programs to prioritize their activities in support of the OPM strategic plan for FY 2014-2018. In addition, the 2016 Budget will enable OPM to implement and sustain agency network upgrades and security software maintenance to ensure a stronger, more reliable and protected OPM network architecture. This funding provides critical support to defend the OPM IT network against cybersecurity incidents, and positions OPM to maintain the critical updates being deployed in 2014 and 2015.

The functions and objectives of OPM's major organizations are:

**Employee Services.**—Develops human resource (HR) policies for Executive Branch agencies and provides policy direction and leadership in designing, developing and promulgating government-wide human resources systems and programs for recruitment, staffing, classification, pay, leave, training, performance management and recognition, employee development, management of executive resources, work/life/wellness programs and labor and employee relations.

**Merit System Accountability and Compliance.**—Ensures Federal agency human resources programs are effective, efficient, and meet merit system principles and related civil service requirements by working directly with other Federal agency Chief Human Capital Officers, Accountability Program Managers, HR managers and specialists. Improves agency programs that are not in compliance with Federal HR policies and regulation; and

## OFFICE OF PERSONNEL MANAGEMENT—Continued

improves the effectiveness and efficiency of the agency programs to meet agency mission and objectives.

**Retirement Services Program.**—Administers the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS), serving Federal retirees and survivors who receive monthly annuity payments. Retirement Services Program will continue to focus on making initial eligibility determinations, adjudicating new retirements, initiating survivor benefit payments, and calculating post retirement changes due to disability and death.

**Planning and Policy Analysis.**—Provides strategic analysis and workforce information for the OPM Director and supports the performance goals of the agency. The scope of PPA analysis spans the full range of human resource management issues facing Federal agencies (such as workforce supply, pay, benefits, diversity) and involves a variety of analytical tools (including actuarial analysis, surveys, economic analysis, and policy analysis).

**Healthcare & Insurance.**—Administers Federal Employees Health Benefit Program (FEHBP), Federal Employee Group Life Insurance (FEGLI) Program, Flexible Spending Account Program (FSAFEDS), Federal Long Term Care Insurance Program (FLTCIP), and Federal Employee Dental Vision Insurance Program (FEDVIP). These programs provide a complete suite of insurance benefits for more than eight million Federal employees, retirees, and their families. Healthcare and Insurance is also responsible for implementing and overseeing the Patient Protection and Affordable Care Act's Multi-State Plan Options.

## Object Classification (in millions of dollars)

Identification code 024-0100-0-1-805	2014 actual	2015 est.	2016 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	50	47	51
11.3 Other than full-time permanent .....	1	1	1
11.5 Other personnel compensation .....	1	1	1
11.9 Total personnel compensation .....	52	49	53
12.1 Civilian personnel benefits .....	15	13	15
21.0 Travel and transportation of persons .....	1	1	1
23.3 Communications, utilities, and miscellaneous charges .....	13	9	9
25.2 Other services from non-Federal sources .....	16	23	36
31.0 Equipment .....	1	1	7
99.0 Direct obligations .....	98	96	121
99.0 Reimbursable obligations .....	281	118	124
99.9 Total new obligations .....	379	214	245

## Employment Summary

Identification code 024-0100-0-1-805	2014 actual	2015 est.	2016 est.
1001 Direct civilian full-time equivalent employment .....	794	843	943
2001 Reimbursable civilian full-time equivalent employment .....	1,076	1,180	1,200

## OFFICE OF INSPECTOR GENERAL

## SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, **[\$4,384,000]** \$4,365,000, and in addition, not to exceed **[\$21,340,000]** \$22,479,000 for administrative expenses to audit, investigate, and provide other oversight of the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere. (*Financial Services and General Government Appropriations Act, 2015.*)

## Program and Financing (in millions of dollars)

Identification code 024-0400-0-1-805	2014 actual	2015 est.	2016 est.
<b>Obligations by program activity:</b>			
0001 Program oversight (audits, investigations, etc.) .....	4	4	4
0801 Office of Inspector General (Reimbursable) .....	21	22	22
0900 Total new obligations .....	25	26	26
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	5	4	4
1160 Appropriation, discretionary (total) .....	5	4	4
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	18	22	22
1701 Change in uncollected payments, Federal sources .....	3		
1750 Spending auth from offsetting collections, disc (total) .....	21	22	22
1900 Budget authority (total) .....	26	26	26
1930 Total budgetary resources available .....	26	26	26
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-1		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	4	3	2
3010 Obligations incurred, unexpired accounts .....	25	26	26
3020 Outlays (gross) .....	-24	-27	-25
3041 Recoveries of prior year unpaid obligations, expired .....	-2		
3050 Unpaid obligations, end of year .....	3	2	3
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-10	-8	-8
3070 Change in uncollected pymts, Fed sources, unexpired .....	-3		
3071 Change in uncollected pymts, Fed sources, expired .....	5		
3090 Uncollected pymts, Fed sources, end of year .....	-8	-8	-8
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	-6	-5	-6
3200 Obligated balance, end of year .....	-5	-6	-5
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	26	26	26
Outlays, gross:			
4010 Outlays from new discretionary authority .....	23	25	25
4011 Outlays from discretionary balances .....	1	2	
4020 Outlays, gross (total) .....	24	27	25
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-21	-22	-22
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired .....	-3		
4052 Offsetting collections credited to expired accounts .....	3		
4070 Budget authority, net (discretionary) .....	5	4	4
4080 Outlays, net (discretionary) .....	3	5	3
4180 Budget authority, net (total) .....	5	4	4
4190 Outlays, net (total) .....	3	5	3

This appropriation provides agency-wide audit, investigation, administrative sanction, and debarment functions to identify program management, contractual, and administrative deficiencies that may create conditions for fraud, waste, abuse, and mismanagement. During 2014, the Office of Inspector General (OIG) activities resulted in positive financial impacts of over \$50 million to Office of Personnel Management (OPM) managed funds and led to 37 arrests, 70 indictments/information inquiries, 48 criminal convictions, and 937 suspensions or debarments within the Federal Employees Health Benefits Program (FEHBP). The OIG joint efforts with the Department of Justice (DOJ) and other Federal, state, and local law enforcement agencies has resulted in collected fines/penalties/forfeitures to the Federal government totaling over \$420 million.

The Audits function provides audit services covering agency functions, the FEHBP, the Federal Employees Group Life Insurance (FEGLI) program, the Federal Employees Dental and Vision Insurance Program (FEDVIP), the Federal Long Term Care Insurance Program (FLTCIP), the Federal Flexible Spending Accounts for Federal Employees (FSAFEDS), the

Combined Federal Campaign Audits (CFC), the Federal retirement programs, revolving fund programs and operations, and information systems and security audits. Internal agency audits review all facets of agency operations, and include the oversight of the agency financial statement audit. Insurance audits review the operations of health and life insurance carriers, health care providers, pharmacy benefit managers, and insurance subscribers. Information systems audits review general controls, application controls and security within the agency's information systems and programs as well as for the information systems of insurance carriers within the FEHBP.

The investigations function detects and investigates improper and illegal activities involving agency programs, personnel, and operations. A large component of the investigative program involves criminal activities within the FEHBP, retirement and life insurance trust fund programs, as well as the OPM revolving fund programs. Our administrative sanctions program debars and suspends health care providers whose conduct may pose a financial threat to the FEHBP or health and safety risk to FEHBP enrollees and their families.

In 2016, the OIG will continue its audits and investigations of OPM programs, including the FEHBP and retirement trust fund programs, OPM revolving fund programs, and OPM financial statement oversight and other program areas. The OIG will continue to advance its prescription drug audit program, which includes audits of pharmacy benefit managers. Through these audits, the OIG helps the FEHBP recover inappropriate charges, negotiate more favorable contracts, control future cost growth, and improve benefits provided to program enrollees. The OIG will also continue its FEHBP claims data warehouse initiative in 2016. This project streamlines and enhances the various administrative and analytical procedures involved in the oversight of the FEHBP. The purpose of the project is to capture claims data from experience-rated insurance carriers in a data warehouse of health care information. The system's software tools support a variety of analytical procedures, including data mining, using the data in the warehouse. The project has facilitated more efficient and effective oversight of the FEHBP by enhancing the ability of auditors and investigators to identify improper payments.

Another challenge facing the OIG is the oversight of the vast OPM revolving fund programs, most notably the Federal Investigative Services, responsible for the Federal background investigations which have significant national security implications. The revolving fund programs are projected to spend over 1.6 billion in 2016.

The 2016 President's Budget includes funds associated with OPM's implementation of the Patient Protection and Affordable Care Act (ACA), including the Indian Health Care Improvement Reauthorization and Extension Act of 2009 (IHCA), which was enacted as part of the ACA. The OIG is currently working with OPM on its implementation of the ACA. The OIG will audit and examine Multi-State Plan Program (MSPP) records and accounts that pertain to the MSPP. The OIG will work with MSPP issuers to carry out our oversight responsibilities by ensuring compliance with Federal regulations, the MSPP contract and OPM program guidance. This includes plans to review the business practices exhibited by the MSPPs, including their fraud detection systems, and report findings and recommendations to OPM for further action.

In January 2014, the Congress passed the OPM IG Act (H.R. 2860). This piece of legislation has provided the required resources to fund the OIG for administrative expenses to audit, investigate, and provide other oversight of the activities of the OPM revolving fund.

Object Classification (in millions of dollars)				
Identification code 024-0400-0-1-805	2014 actual	2015 est.	2016 est.	
Direct obligations:				
11.1 Personnel compensation: Full-time permanent .....	3	3	3	
12.1 Civilian personnel benefits .....	1	1	1	
99.0 Direct obligations .....	4	4	4	
99.0 Reimbursable obligations .....	21	22	22	

99.9	Total new obligations .....	25	26	26
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### Employment Summary

Identification code 024-0400-0-1-805	2014 actual	2015 est.	2016 est.
1001 Direct civilian full-time equivalent employment .....	25	19	19
2001 Reimbursable civilian full-time equivalent employment .....	111	126	126

### GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

#### Program and Financing (in millions of dollars)

Identification code 024-0206-0-1-551	2014 actual	2015 est.	2016 est.
<b>Obligations by program activity:</b>			
0001 Government contribution for annuitants benefits (1959 Act) .....	11,358	11,957	12,658
0002 Government contribution for annuitants benefits (1960 Act) .....	1	1	1
0900 Total new obligations (object class 13.0) .....	11,359	11,958	12,659
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	11,359	11,958	12,659
1260 Appropriations, mandatory (total) .....	11,359	11,958	12,659
1930 Total budgetary resources available .....	11,359	11,958	12,659
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1,133	1,210	1,122
3010 Obligations incurred, unexpired accounts .....	11,359	11,958	12,659
3020 Outlays (gross) .....	-11,282	-12,046	-12,559
3050 Unpaid obligations, end of year .....	1,210	1,122	1,222
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1,133	1,210	1,122
3200 Obligated balance, end of year .....	1,210	1,122	1,222
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	11,359	11,958	12,659
Outlays, gross:			
4100 Outlays from new mandatory authority .....	10,149	10,897	11,552
4101 Outlays from mandatory balances .....	1,133	1,149	1,007
4110 Outlays, gross (total) .....	11,282	12,046	12,559
4180 Budget authority, net (total) .....	11,359	11,958	12,659
4190 Outlays, net (total) .....	11,282	12,046	12,559

This appropriation covers: 1) the Government's share of the cost of health insurance for annuitants as defined in sections 8901 and 8906 of title 5, United States Code; 2) the Government's share of the cost of health insurance for annuitants (who were retired when the Federal employees health benefits law became effective), as defined in the Retired Federal Employees Health Benefits Act of 1960; and 3) the Government's contribution for payment of administrative expenses incurred by OPM in administration of the Act.

The budget authority for this account recognizes the amounts being remitted by the U.S. Postal Service to finance a portion of its post-1971 annuitants' health benefit costs.

	2014 actual	2015 est.	2016 est.
<b>Annuityants:</b>			
FEHB .....	1,918,209	2,036,000	2,048,000
USPS annuitants (non-add) .....	490,933	495,000	499,000
REHB .....	304	250	205
Total, annuityants .....	1,918,513	2,036,250	2,048,205

## GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

## Program and Financing (in millions of dollars)

Identification code 024-0500-0-1-602	2014 actual	2015 est.	2016 est.
<b>Obligations by program activity:</b>			
0001 Government Payment for Annuitants, Employee Life Insurance (Direct) .....	45	48	50
0900 Total new obligations (object class 25.2) .....	45	48	50
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	45	48	50
1260 Appropriations, mandatory (total) .....	45	48	50
1930 Total budgetary resources available .....	45	48	50
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	6	6	6
3010 Obligations incurred, unexpired accounts .....	45	48	50
3020 Outlays (gross) .....	-45	-48	-50
3050 Unpaid obligations, end of year .....	6	6	6
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	6	6	6
3200 Obligated balance, end of year .....	6	6	6
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	45	48	50
Outlays, gross:			
4100 Outlays from new mandatory authority .....	39	42	44
4101 Outlays from mandatory balances .....	6	6	6
4110 Outlays, gross (total) .....	45	48	50
4180 Budget authority, net (total) .....	45	48	50
4190 Outlays, net (total) .....	45	48	50

Per P.L. 96-427, Federal Employees Group Life Insurance Act of 1980, enacted October 10, 1980, this appropriation finances the Government's share of premiums, which is one-third the cost, for Basic life insurance for annuitants retiring after December 31, 1989, and who are less than 65 years old.

## PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

## Program and Financing (in millions of dollars)

Identification code 024-0200-0-1-805	2014 actual	2015 est.	2016 est.
<b>Obligations by program activity:</b>			
0002 Payment of Government share of retirement costs .....	10,993	10,801	10,901
0003 Transfers for interest on unfunded liability and payment of military service annuities .....	23,928	24,400	25,300
0005 Spouse equity payment .....	67	67	67
0900 Total new obligations .....	34,988	35,268	36,268
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	23,928	24,400	25,300
1200 Appropriation .....	11,060	10,868	10,968
1260 Appropriations, mandatory (total) .....	34,988	35,268	36,268
1930 Total budgetary resources available .....	34,988	35,268	36,268
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	34,988	35,268	36,268
3020 Outlays (gross) .....	-34,988	-35,268	-36,268
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	34,988	35,268	36,268
Outlays, gross:			
4100 Outlays from new mandatory authority .....	34,988	35,268	36,268
4180 Budget authority, net (total) .....	34,988	35,268	36,268

4190 Outlays, net (total) .....	34,988	35,268	36,268
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The Payment to the Civil Service Retirement and Disability Fund consists of an appropriation and a permanent indefinite authorization to pay the Government's share of retirement costs as defined in the Civil Service Retirement Amendments of 1969 (P.L. 91-93), the Federal Employees Retirement Act of 1986 (P.L. 99-335), and the Civil Service Retirement Spouse Equity Act of 1985 (P.L. 98-615). The payment is made directly from the General Fund of the U.S. Treasury into the Civil Service Retirement and Disability Fund and is in addition to appropriated funds that will be contributed from agency budgets.

**Current Appropriation Payment of Government share of retirement costs.**—P.L. 91-93 provides for an annual appropriation to amortize, over a 30-year period, all increases in Civil Service Retirement System costs resulting from acts of Congress granting new or liberalized benefits, extensions of coverage, or pay raises, exclusive of the effects of cost-of-living adjustments (COLAs). OPM has notified the Secretary of the Treasury each year of such sums as may be necessary to carry out these provisions.

**Permanent Indefinite Authorization.**—Transfers for interest on static unfunded liability and payment of military service annuities.—P.L. 91-93 also provides permanent, indefinite authorization for the Secretary of the Treasury to transfer, on an annual basis, an amount equal to 5 percent interest on the Civil Service Retirement and Disability Funds current statutory unfunded liability, calculated based on static economic assumptions, and annuity disbursements attributable to credit for military service.

**Payments for Spouse Equity.**—The permanent, indefinite authorization also includes a payment in accordance with P.L. 98-615 which provides for the Secretary of the Treasury to transfer an amount equal to the annuities granted to eligible former spouses of annuitants who died between September 1978 and May 1985 who did not elect survivor coverage.

**Financing.**—The unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, and the Act of August 19, 1950 (33 U.S.C. 771-775), may hereafter be paid out of the Civil Service Retirement and Disability Fund. (Financial Services and General Government Appropriations Act, 2010.)

## Object Classification (in millions of dollars)

Identification code 024-0200-0-1-805	2014 actual	2015 est.	2016 est.
<b>Direct obligations:</b>			
12.1 Civilian personnel benefits .....	11,060	10,868	10,968
13.0 Benefits for former personnel .....	23,928	24,400	25,300
99.9 Total new obligations .....	34,988	35,268	36,268

## FLEXIBLE BENEFITS PLAN RESERVE

## Program and Financing (in millions of dollars)

Identification code 024-0800-0-1-805	2014 actual	2015 est.	2016 est.
<b>Obligations by program activity:</b>			
0801 FSA FEDS Risk Reserve .....	16	41	35
0900 Total new obligations .....	16	41	35
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	91	82	68
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	9	29	24
1823 New and/or unobligated balance of spending authority from offsetting collections temporarily reduced .....	-2	-2	.....
1850 Spending auth from offsetting collections, mand (total) .....	7	27	24
1930 Total budgetary resources available .....	98	109	92

Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	82	68	57
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	2	3	3
3010	Obligations incurred, unexpired accounts .....	16	41	35
3020	Outlays (gross) .....	-15	-41	-35
3050	Unpaid obligations, end of year .....	3	3	3
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	2	3	3
3200	Obligated balance, end of year .....	3	3	3
<b>Budget authority and outlays, net:</b>				
Mandatory:				
4090	Budget authority, gross .....	7	27	24
Outlays, gross:				
4100	Outlays from new mandatory authority .....	1	27	24
4101	Outlays from mandatory balances .....	14	14	11
4110	Outlays, gross (total) .....	15	41	35
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120	Federal sources .....	-1	-1	-1
4123	Non-Federal sources .....	-8	-28	-23
4130	Offsets against gross budget authority and outlays (total) ....	-9	-29	-24
4160	Budget authority, net (mandatory) .....	-2	-2	.....
4170	Outlays, net (mandatory) .....	6	12	11
4180	Budget authority, net (total) .....	-2	-2	.....
4190	Outlays, net (total) .....	6	12	11
<b>Memorandum (non-add) entries:</b>				
5090	Unexpired unavailable balance, SOY: Offsetting collections .....	2	4	4
5092	Unexpired unavailable balance, EOY: Offsetting collections .....	2	4	4

This account contains reserve resources required under the Office of Personnel Management's contract with the administrator of the Flexible Benefits program. This account is funded by payments from Federal agencies based on the participation of their employees in the program and from net forfeitures, as authorized by the National Defense Authorization Act for Fiscal Year 2004 (P.L. 108-136). Account assets are available to indemnify the administrator when benefit payments exceed contributions, for program enhancements, and for OPM's administration of the program. The reserve account balance currently exceeds that deemed necessary to defray reasonable risk, so account balances are also being used to mitigate Federal agencies' contractual costs for the program. We project cost mitigation to continue at least through 2016.

**Object Classification** (in millions of dollars)

Identification code 024-0800-0-1-805	2014 actual	2015 est.	2016 est.
25.6 Reimbursable obligations: Medical care .....	16	41	35
99.0 Reimbursable obligations .....	16	41	35

**POSTAL SERVICE RETIREE HEALTH BENEFITS FUND****Special and Trust Fund Receipts** (in millions of dollars)

Identification code 024-5391-0-2-551	2014 actual	2015 est.	2016 est.
0100 Balance, start of year .....	46,925	48,468	49,107
Receipts:			
0240 Postal Service Contributions for Current Workers, Postal Service Retiree Health Benefits Fund .....	.....	2,357	2,435
0241 Earnings on Investments, Postal Service Retiree Health Benefits Fund .....	1,543	1,428	1,420
0242 Postal Service Contributions for Benefits Paid to Retirees, Postal Service Retiree Health Benefits Fund .....	.....	5,700	5,800
0243 Postal Service Contributions for Benefits Paid to Retirees, Postal Service Retiree Health Benefits Fund .....	.....	-5,700	-5,800
0299 Total receipts and collections .....	1,543	3,785	3,855
0400 Total: Balances and collections .....	48,468	52,253	52,962
Appropriations:			
0500 Postal Service Retiree Health Benefits Fund .....	-1,543	-7,128	-7,220

0501	Postal Service Retiree Health Benefits Fund .....	1,543	7,128	7,220
0502	Postal Service Retiree Health Benefits Fund .....	.....	-3,146	-3,336
0599	Total appropriations .....	.....	-3,146	-3,336
0799	Balance, end of year .....	48,468	49,107	49,626

**Program and Financing** (in millions of dollars)

Identification code 024-5391-0-2-551	2014 actual	2015 est.	2016 est.	
<b>Budgetary resources:</b>				
Budget authority:				
Appropriations, mandatory:				
1201	Appropriation (special or trust fund) .....	1,543	7,128	7,220
1234	Appropriations precluded from obligation .....	-1,543	-7,128	-7,220

Memorandum (non-add) entries:				
5000	Total investments, SOY: Federal securities: Par value .....	42,324	48,468	55,523
5001	Total investments, EOY: Federal securities: Par value .....	48,468	55,523	62,743

The Postal Accountability and Enhancement Act (P.L. 109-435) created the Postal Service Retiree Health Benefits Fund to help fully fund the Postal Service's retiree (annuitant) health benefits liabilities.

This account receives from the Postal Service: 1) the pension savings provided to the Postal Service by the Postal Civil Service Retirement System Funding Reform Act of 2003 (P.L. 108-18) that were held in escrow during 2006; 2) payments defined within P.L. 109-435, and modified by P.L. 111-68, to begin the liquidation of the Postal Service's unfunded liability for post-retirement health benefits; and 3) beginning in 2017, payments for the actuarial cost of Postal Service contributions for the post-retirement health benefits for its current employees. This account also receives any surplus resources of the Civil Service Retirement and Disability Fund that are not needed to finance future retirement benefits under the Civil Service Retirement System to current or former employees of the Postal Service that are attributable to civilian employment with the Postal Service.

As a result of this health benefits financing system, beginning in 2017, the Postal Service will cease to pay annual premium costs for its post-1971 current annuitants directly to the Employees and Retired Employees Health Benefits Fund. Instead, these premium payments will be paid from amounts that the Postal Service remits to this fund. Payments for a proportion of the premium costs of Postal Service annuitants' pre-1971 service would continue to be paid by the General Fund of the Treasury through the Government Payment for Annuitants, Employees Health Benefits account.

**POSTAL SERVICE RETIREE HEALTH BENEFITS FUND**

(Legislative proposal, subject to PAYGO)

**Program and Financing** (in millions of dollars)

Identification code 024-5391-4-2-551	2014 actual	2015 est.	2016 est.
<b>Obligations by program activity:</b>			
0001	FEHB Premium Payments for Current Retirees .....	3,146	3,336
0900	Total new obligations (object class 12.1) .....	3,146	3,336
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1201	Appropriation (special or trust fund) .....	3,146	3,336
1260	Appropriations, mandatory (total) .....	3,146	3,336
1930	Total budgetary resources available .....	3,146	3,336

<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010	Obligations incurred, unexpired accounts .....	3,146	3,336
3020	Outlays (gross) .....	-3,146	-3,336

<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090	Budget authority, gross .....	3,146	3,336
Outlays, gross:			
4100	Outlays from new mandatory authority .....	3,146	3,336
4180	Budget authority, net (total) .....	3,146	3,336

POSTAL SERVICE RETIREE HEALTH BENEFITS FUND—Continued  
Program and Financing—Continued

Identification code 024–5391–4–2–551	2014 actual	2015 est.	2016 est.
4190 Outlays, net (total) .....		3,146	3,336

Under the Postal Accountability and Enhancement Act of 2006 (P.L. 109–435), USPS must make a stream of payments set in statute through 2016 toward paying down retiree health benefit unfunded liabilities, as well as pay annual Federal Employees Health Benefits Program premiums for current retirees. Also under current law, starting in 2017, USPS must pay the per capita accruing costs (or normal cost) to fund future retiree health benefits of current employees and a 40-year amortization of the remaining unfunded liability (UFL) for current retirees. The Budget proposes to shift how the Postal Service (USPS) pre-funds its retiree health benefits' UFL. Under the proposal, starting in 2015, USPS would pay the normal costs for the future retiree health benefits of current employees and also a stream of payments associated with paying down the remaining UFL for current retirees. Further, the Budget would provide USPS temporary financial relief as the 2015 (\$5.7 billion) and 2016 (\$5.8 billion) UFL payments would be adjusted to assume that USPS will not make these payments. USPS would make up these missed payments to the Fund by paying larger amounts in future years through the 40-year amortization of the remaining UFL that starts in 2017. The Budget also proposes to codify the statutory RHB prefunding payments that USPS defaulted on in FYs 2012, 2013, and 2014. These defaults, totaling \$22.4 billion, are factored into the 40-year amortization schedule starting in 2017, but remain on USPS's financial statements in each year as outstanding liabilities. This Budget proposal provides the following benefits to USPS: 1) USPS would be provided temporary financial relief in the form of lower payments through 2016; 2) The calculations of normal cost and UFL are based on actuarial assumptions (as of January 2015) that reflect USPS's employee population change since 2006, when the prefunding mechanism was originally adopted (note, however, that the actual annual payments for the normal costs are reset each year based on the number of USPS employees); 3) This Fund would pay the premiums for current USPS retirees now, rather than starting in 2017, thus accelerating what would have occurred anyway in 2017 under current law. See also the Postal Service section of this Appendix for information on this proposal.

REVOLVING FUND

Program and Financing (in millions of dollars)

Identification code 024–4571–0–4–805	2014 actual	2015 est.	2016 est.
<b>Obligations by program activity:</b>			
0801 Human Resource Solutions .....	436	358	386
0802 Investigation services .....	1,035	1,133	1,130
0803 Human Resources Tools & Technology (HRTT) .....	36	33	36
0804 Enterprise human resources integration .....	39	37	38
0805 USAJOBS .....	12	13	13
0806 Presidential Management Fellows .....	2	3	3
0807 Human Resource Line of Business (HRLob) .....	2	3	3
0808 Inspector General Activities .....	1		
0900 Total new obligations .....	1,563	1,580	1,609
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	267	252	235
1021 Recoveries of prior year unpaid obligations .....	49		
1050 Unobligated balance (total) .....	316	252	235
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	1,430	1,563	1,642
1801 Change in uncollected payments, Federal sources .....	69		
1850 Spending auth from offsetting collections, mand (total) .....	1,499	1,563	1,642
1900 Budget authority (total) .....	1,499	1,563	1,642
1930 Total budgetary resources available .....	1,815	1,815	1,877

1941	Memorandum (non-add) entries:			
	Unexpired unobligated balance, end of year .....	252	235	268
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	926	957	974
3010	Obligations incurred, unexpired accounts .....	1,563	1,580	1,609
3020	Outlays (gross) .....	-1,483	-1,563	-1,642
3040	Recoveries of prior year unpaid obligations, unexpired .....	-49		
3050	Unpaid obligations, end of year .....	957	974	941
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-636	-705	-705
3070	Change in uncollected pymts, Fed sources, unexpired .....	-69		
3090	Uncollected pymts, Fed sources, end of year .....	-705	-705	-705
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	290	252	269
3200	Obligated balance, end of year .....	252	269	236
<b>Budget authority and outlays, net:</b>				
Mandatory:				
4090	Budget authority, gross .....	1,499	1,563	1,642
Outlays, gross:				
4100	Outlays from new mandatory authority .....	36	354	251
4101	Outlays from mandatory balances .....	1,447	1,209	1,391
4110	Outlays, gross (total) .....	1,483	1,563	1,642
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120	Federal sources .....	-1,430	-1,563	-1,642
Additional offsets against gross budget authority only:				
4140	Change in uncollected pymts, Fed sources, unexpired .....	-69		
4170	Outlays, net (mandatory) .....	53		
4190	Outlays, net (total) .....	53		

**Budget Program.**—OPM's Revolving Fund provides financing for investigations, training, and other functions that OPM is authorized or required to perform on a reimbursable basis. OPM programs offer the following:

OPM's Human Resources Solutions (HRS) program provides a variety of human resources products and services, enabling Federal agencies to develop strong leaders, attract and build a high quality public sector workforce, and transform their agencies into high performing organizations. Within the Human Resources Solutions program, 5 program areas operate under two major reimbursable offerings (government provided and third-party contractor). The 5 program areas are: the Center for Leadership Development (CLD), the Federal Staffing Group (FSG), HR Strategy and Evaluation Services (HRSES), the Training and Management Assistance (TMA), and the Administrative Law Judges Program (ALJP). CLD's mission is to develop visionary leaders to transform government through government-to-government educational programs and learning management system solutions. FSG is comprised of USA Staffing and Staff Acquisition, which work to provide Federal customers with complete human resources lifecycle solutions. HRSES offers a set of assessment, planning, classification, and evaluation products and services to Federal agency customers. TMA's program provides Government-wide customers the most cost effective means to develop and deploy a human capital management system through its consolidated, pre-negotiated pricing system. ALJP is responsible for administering a competitive examining process to ALJ applicants.

OPM's USAJOBS program is the official job site of the Federal government. It is the one-stop source for Federal jobs and employment information. The USAJOBS.gov website has emerged over the last decade as the face of Federal hiring.

The Presidential Management Fellows (PMF) program is a leadership development program at the entry level for advanced degree candidates. PMF attracts and selects candidates with the goal of developing future government leaders.

OPM's Federal Investigative Services program (FIS) provides investigative products and services for over 100 Federal agencies to use as the basis for suitability and security clearance or determinations for Federal civilian, military, and contract employment and eligibility, for access to classified national security information. Background investigations are performed for Federal agencies on a fee-for-service basis. FIS conducts over 90 percent of all background investigations for the Federal government. Investigations

are a critical step in the Federal hiring process, and can affect hiring or removal decisions based on the individuals fitness and suitability for employment. Based on information gathered in background investigations, Federal agencies also issue security clearances and place individuals in sensitive positions involving national security or the public trust. FIS will begin implementation of new investigative products to continue to meet the requirements of Executive Order 13467.

OPM's Federal Human Resources Information Technology Transformation program will consolidate agency Human Resource (HR) systems, provide an agency-wide HR performance dashboard, and enable HR and Payroll benchmarking at agencies and established Shared Service Centers (SSCs). Components of the Federal Human Resources Information Technology Transformation program are: the Human Resources Line of Business (HRLOB), the Enterprise Human Resources Integration (EHRI), and the Human Resources Tools and Technology (HRTT) activities. HRLOB provides the necessary information technology infrastructure to facilitate the exchange of HR data and information government-wide. HRLOB leads the government-wide transformation of HR information technology by focusing on modernization, integration, and performance assessment. EHRI streamlines and automates the exchange of Federal Employee human resources information Government-wide. EHRI's electronic Official Personnel Folder (eOPF) is a web-based application that is capable of storing, processing, and displaying the eOPFs of all current, separated, and retired Federal Employees. The eOPF will cover the entire Executive Branch with a total user population of more than 1.9M. Through a suite of Analytic Tools offered to customer agencies, the Federal government is able to perform workforce analyses and forecasting on the data contained in EHRI's Data Warehouse. HRTT delivers products and services to Federal customers, allowing agencies to become high-performing organizations. HRTT will recover costs of operations by managing dozens of individual reimbursable agreements with its customers.

The OPM IG Act of 2014 extends permitted uses of the revolving fund to include financing the cost of audits, investigations, and oversight activities of OPM's Inspector General. The Act limits the amount of revolving fund resources available to the Inspector General each year to 0.33 percent of the total budgetary authority estimated for the fund in the year.

**Financing.**—OPM's revolving fund account gains spending authority from agreements with other Federal agencies who are seeking the following services: Human Resources Solutions provides a multitude of HR services to other Federal agencies, which include consulting services, training, staffing programs, vendor management, and administrative law judge services. Individual pricing and fee structures for HR Solutions offerings differ because the business models for each of its products and services vary. USAJOBS is financed by an annual fee assessed to Federal agencies. The fee is based on the Federal agency's pro rata share of total Federal government FTE population supported, as provided in the Central Personnel Data File (CPDF). PMF Program assesses a fixed fee for each fellow hired by a Federal agency. The Federal Investigative Services provides personnel background investigative services on a fixed price basis to determine individual's fitness or suitability for Federal civilian, military, and contract employment and/or eligibility for a security clearance. EHRI provides two primary service offerings on a fee-for-service basis: the electronic Official Personnel Folder (eOPF), including deployment and hosting services, and a suite of analytical tools enabling agencies to perform workforce analysis and forecasting. EHRI provides customized eOPF systems to other agencies at additional cost, in which the customer pays for ongoing eOPF maintenance. The pricing structure for eOPF maintenance is a fixed price per license (i.e., electronic folder) and is based on the number of active users at the customer agency. The HR LoB has established public and private Shared Service Centers (SSCs) to provide technology solutions to support multiple agencies with HR information technology and HR services and is financed in part by agency contributions from partner agencies.

**Operating Results.**—In fiscal year 2014, OPM's revolving fund businesses revenue total was \$1.381 billion and the expenses total was \$1.508 billion

which provided a net loss on operations of \$127 million. The cumulative retained income was \$155 million.

#### Object Classification (in millions of dollars)

Identification code 024-4571-0-4-805	2014 actual	2015 est.	2016 est.
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	238	254	258
11.5 Other personnel compensation .....	21	22	22
11.9 Total personnel compensation .....	259	276	280
12.1 Civilian personnel benefits .....	77	77	79
21.0 Travel and transportation of persons .....	16	20	19
23.1 Rental payments to GSA .....	20	16	14
23.3 Communications, utilities, and miscellaneous charges .....	46	38	33
24.0 Printing and reproduction .....	2	2	2
25.2 Other services from non-Federal sources .....	1,104	1,131	1,157
26.0 Supplies and materials .....	4	5	4
31.0 Equipment .....	35	15	21
99.9 Total new obligations .....	1,563	1,580	1,609

#### Employment Summary

Identification code 024-4571-0-4-805	2014 actual	2015 est.	2016 est.
2001 Reimbursable civilian full-time equivalent employment .....	3,010	3,276	3,227

#### Trust Funds

##### CIVIL SERVICE RETIREMENT AND DISABILITY FUND

#### Special and Trust Fund Receipts (in millions of dollars)

Identification code 024-8135-0-7-602	2014 actual	2015 est.	2016 est.
0100 Balance, start of year .....	835,685	850,027	862,877
Receipts:			
0200 Employee Contributions, Civil Service Retirement and Disability Fund .....	2,757	2,975	3,091
0201 District of Columbia Contributions, Civil Service Retirement and Disability Fund .....	26	25	23
0202 Employee Deposits, Redeposits and Other Contributions, Civil Service Retirement and Disability Fund .....	643	616	594
0240 Agency Contributions, Civil Service Retirement and Disability Fund .....	21,832	24,513	25,610
0241 Postal Service Agency Contributions, Civil Service Retirement and Disability Fund .....	2,873	3,218	3,399
0242 Postal Service Supplemental Contributions, Civil Service Retirement and Disability Fund .....		7	7
0243 FFB, TVA, and USPS Interest, Civil Service Retirement and Disability Fund .....	472	479	424
0244 Treasury Interest, Civil Service Retirement and Disability Fund .....	30,547	28,056	26,965
0245 General Fund Payment to the Civil Service Retirement and Disability Fund .....	34,988	35,268	36,268
0246 Re-employed Annuitants Salary Offset, Civil Service Retirement and Disability Fund .....	47	44	43
0299 Total receipts and collections .....	94,185	95,201	96,424
0400 Total: Balances and collections .....	929,870	945,228	959,301
Appropriations:			
0500 Civil Service Retirement and Disability Fund .....	-98	-97	-95
0501 Civil Service Retirement and Disability Fund .....	-94,085	-95,097	-96,322
0502 Civil Service Retirement and Disability Fund .....	-3	-3	-4
0503 Civil Service Retirement and Disability Fund .....	3	4	
0504 Civil Service Retirement and Disability Fund .....	14,340	13,598	12,529
0505 Civil Service Retirement and Disability Fund .....		-756	-750
0599 Total appropriations .....	-79,843	-82,351	-84,642
0799 Balance, end of year .....	850,027	862,877	874,659

#### Program and Financing (in millions of dollars)

Identification code 024-8135-0-7-602	2014 actual	2015 est.	2016 est.
Obligations by program activity:			
0001 Annuities .....	79,284	81,058	83,324
0002 Refunds and death claims .....	424	441	469
0003 Administration - operations .....	128	91	89
0004 Transfer to MSPB .....	2	2	2

CIVIL SERVICE RETIREMENT AND DISABILITY FUND—Continued  
Program and Financing—Continued

Identification code 024–8135–0–7–602		2014 actual	2015 est.	2016 est.
0005	Administration - OIG .....	4	4	4
0900	Total new obligations .....	79,842	81,596	83,888
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....		1	
1001	Discretionary unobligated balance brought fwd, Oct 1 .....		1	
Budget authority:				
Appropriations, discretionary:				
1101	Appropriation (special or trust fund) .....	98	97	95
1160	Appropriation, discretionary (total) .....	98	97	95
Appropriations, mandatory:				
1201	Appropriation (special or trust fund) .....	94,085	95,097	96,322
1203	Appropriation (previously unavailable) .....	3	3	4
1232	Appropriations and/or unobligated balance of appropriations temporarily reduced .....	-3	-4	
1234	Appropriations precluded from obligation .....	-14,340	-13,598	-12,529
1260	Appropriations, mandatory (total) .....	79,745	81,498	83,797
1900	Budget authority (total) .....	79,843	81,595	83,892
1930	Total budgetary resources available .....	79,843	81,596	83,892
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	1		4
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	6,973	7,171	7,378
3010	Obligations incurred, unexpired accounts .....	79,842	81,596	83,888
3020	Outlays (gross) .....	-79,644	-81,389	-83,708
3050	Unpaid obligations, end of year .....	7,171	7,378	7,558
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	6,973	7,171	7,378
3200	Obligated balance, end of year .....	7,171	7,378	7,558
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	98	97	95
Outlays, gross:				
4010	Outlays from new discretionary authority .....	64	97	95
4011	Outlays from discretionary balances .....	35		
4020	Outlays, gross (total) .....	99	97	95
Mandatory:				
4090	Budget authority, gross .....	79,745	81,498	83,797
Outlays, gross:				
4100	Outlays from new mandatory authority .....	72,607	74,400	76,530
4101	Outlays from mandatory balances .....	6,938	6,892	7,083
4110	Outlays, gross (total) .....	79,545	81,292	83,613
4180	Budget authority, net (total) .....	79,843	81,595	83,892
4190	Outlays, net (total) .....	79,644	81,389	83,708
<b>Memorandum (non-add) entries:</b>				
5000	Total investments, SOY: Federal securities: Par value .....	719,456	857,169	871,024
5001	Total investments, EOY: Federal securities: Par value .....	857,169	871,024	883,622

The Civil Service Retirement and Disability Fund is the oldest and largest of the four trust funds administered by the Office of Personnel Management. The Fund is financed and structured very differently from the other three trust funds. It is characterized by permanent indefinite budget authority. Budget Authority is the authority to incur obligations and pay expenses which become available to an agency during any fiscal year. Once approved, permanent budget authority is permanently available for all future years. Indefinite budget authority is used when the precise amount of budget authority required cannot be forecast in advance and must thus be determined at some future point in time (e.g., when actual receipts and expenses become known).

The Civil Service Retirement and Disability Fund covers two Federal civilian retirement systems: the Civil Service Retirement System (CSRS) established on May 22, 1920, and the Federal Employees Retirement System (FERS) established on June 6, 1986. The Retirement Fund is a single plan even though there are two different benefit tiers and funding methods. CSRS is basically a defined benefit plan, covering Federal employees hired

prior to 1984. CSRS participants do not participate in the Social Security system. FERS is a three-tiered pension program that uses Social Security as a base, provides an additional basic benefit, and includes a thrift savings plan. FERS covers employees hired after 1983 and formerly CSRS-covered employees who elected to join FERS.

The Budget proposes that the United States Patent and Trademark Office (PTO) continue to fund the full cost for retirement benefits for PTO's employees covered under the Civil Service Retirement System.

**Financing.**—The financing of the Retirement Fund is easily the most complex of the four trust funds. CSRS has been financed under a statutory funding method passed by Congress in 1969. This funding method is based on the static economic assumptions of no future inflation, no future general schedule salary increases, and a 5 percent interest rate. Under CSRS, regular employees contribute 7.0 percent of pay. Law Enforcement Officers, Firefighters, and Congressional employees contribute an extra 0.5 percent of pay, and Members of Congress an extra 1.0 percent of pay. Non-Postal Agencies match the employee contributions. Also under the static funding method for CSRS, the Treasury pays interest on any static unfunded liabilities that are not being financed by the Postal Service. The Treasury also makes payments to amortize, over a 30-year period, any increases in the static unfunded liability due to salary increases for Non-Postal employees that occurred during the year, and pays for the cost of any benefits attributable to military service for both Postal and Non-Postal employees that were paid out during the year.

FERS is funded under a dynamic entry age funding method as prescribed in Chapter 84 of Title 5, United States Code. Employees and agencies together contribute the full amount of the dynamic normal cost. During fiscal year 2014, the dynamic normal cost for "Regular Employees" hired prior to January 1st, 2013, was 14.0 percent (employees share, 0.8 percent and employer's share, 13.2 percent). On February 22, 2012, President Obama signed into law Public Law (P.L.) 112–96, the Middle Class Tax Relief and Job Creation Act of 2012, which contains provisions related to Federal employee retirement contributions and benefits. P.L. 112–96 increased the FERS employee contribution rate by 2.3% for FERS employees hired (or rehired with less than five years of FERS service) after December 31, 2012. These new Federal employees and Members of Congress fall into a new class of employees called "Revised Annuity Employees (RAE)". The dynamic, total normal cost rate for most newly hired/rehired FERS regular employees and agencies together is still 14.0 percent, however, the RAE employees share is 3.1 percent and the employer's share is 10.9 percent. Effective fiscal year 2013, a weighted average normal cost was utilized to correctly capture all other groups of employees and agencies normal cost rates.

The 2016 Budget also includes the impact of the Bipartisan Budget Act of 2013. This Act included a provision to increase the rate of employee contributions to FERS for individuals hired after December 31, 2013 by an additional 1.3% and to maintain the employer's contribution at its current normal cost rate. These new Federal employees and Members of Congress fall into a new class of employees called "Further Revised Annuity Employees (FRAE)". Any contributions under this provision in excess of the amount necessary to satisfy FERS normal cost percentages, will be credited to the assets of the CSRDF, thereby reducing the unfunded liability.

This dynamic normal cost is for the defined payment plan only and does not include the cost of Social Security or the Thrift Savings Plan. FERS regular employees contribute a percentage of salary that is equal to the contribution rate for CSRS employees—7.0 percent, as set forth above, less the 6.2 percent tax rate under the Old Age, Survivors and Disability Insurance (OASDI) portion of Social Security.

The 2016 Budget includes a legislative proposal to resolve retroactive disability benefits coordination between OPM and the Social Security Administration. OPM estimates that the impact of this legislation would produce a reduction in improper payments and thus yield savings of approximately \$48 million a year, beginning in FY 2018.

	2014 actual	2015 est.	2016 est.
Active employees .....	2,607,359	2,579,000	2,551,000



Annuitants:			
Employees .....	2,050,831	2,072,000	2,093,000
Survivors .....	565,280	557,000	549,000
Total, annuitants .....	2,616,111	2,629,000	2,642,000

**Status of Funds** (in millions of dollars)

Identification code 024-8135-0-7-602	2014 actual	2015 est.	2016 est.
Unexpended balance, start of year:			
0100 Balance, start of year .....	842,658	857,199	870,255
0199 Total balance, start of year .....	842,658	857,199	870,255
Cash income during the year:			
Current law:			
Receipts:			
1200 Employee Contributions, Civil Service Retirement and Disability Fund .....	2,757	2,975	3,091
1200 District of Columbia Contributions, Civil Service Retirement and Disability Fund .....	26	25	23
1200 Employee Deposits, Redeposits and Other Contributions, Civil Service Retirement and Disability Fund .....	643	616	594
Offsetting receipts (intragovernmental):			
1240 Agency Contributions, Civil Service Retirement and Disability Fund .....	21,832	24,513	25,610
1240 Postal Service Agency Contributions, Civil Service Retirement and Disability Fund .....	2,873	3,218	3,399
1240 Postal Service Supplemental Contributions, Civil Service Retirement and Disability Fund .....		7	7
1240 FFB, TVA, and USPS Interest, Civil Service Retirement and Disability Fund .....	472	479	424
1240 Treasury Interest, Civil Service Retirement and Disability Fund .....	30,547	28,056	26,965
1240 General Fund Payment to the Civil Service Retirement and Disability Fund .....	34,988	35,268	36,268
1240 Re-employed Annuitants Salary Offset, Civil Service Retirement and Disability Fund .....	47	44	43
1299 Income under present law .....	94,185	95,201	96,424
3299 Total cash income .....	94,185	95,201	96,424
Cash outgo during year:			
Current law:			
4500 Civil Service Retirement and Disability Fund .....	-79,644	-81,389	-83,708
4599 Outgo under current law (-) .....	-79,644	-81,389	-83,708
Proposed legislation:			
5500 Civil Service Retirement and Disability Fund .....		-756	-750
5599 Outgo under proposed legislation (-) .....		-756	-750
6599 Total cash outgo (-) .....	-79,644	-82,145	-84,458
Unexpended balance, end of year:			
8700 Uninvested balance (net), end of year .....	30	-769	-1,401
8701 Civil Service Retirement and Disability Fund .....	857,169	871,024	883,622
8799 Total balance, end of year .....	857,199	870,255	882,221

**Object Classification** (in millions of dollars)

Identification code 024-8135-0-7-602	2014 actual	2015 est.	2016 est.
Direct obligations:			
25.2 Other services from non-Federal sources .....	134	97	95
42.0 Insurance claims and indemnities .....	79,284	81,058	83,324
44.0 Refunds and death claims .....	424	441	469
99.9 Total new obligations .....	79,842	81,596	83,888

**CIVIL SERVICE RETIREMENT AND DISABILITY FUND**

(Legislative proposal, subject to PAYGO)

**Program and Financing** (in millions of dollars)

Identification code 024-8135-4-7-602	2014 actual	2015 est.	2016 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....			756
Budget authority:			
Appropriations, mandatory:			
1203 Appropriation (previously unavailable) .....		756	750
1260 Appropriations, mandatory (total) .....		756	750
1930 Total budgetary resources available .....		756	1,506

Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	756		1,506

**Change in obligated balance:**

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....			-756
3020 Outlays (gross) .....	-756		-750
3050 Unpaid obligations, end of year .....	-756		-1,506
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....			-756
3200 Obligated balance, end of year .....	-756		-1,506

**Budget authority and outlays, net:**

Mandatory:			
4090 Budget authority, gross .....	756		750
Outlays, gross:			
4100 Outlays from new mandatory authority .....	756		750
4180 Budget authority, net (total) .....	756		750
4190 Outlays, net (total) .....	756		750

The Budget proposes to return to the United States Postal Service (USPS) surplus amounts it has paid into its Office of Personnel Management (OPM) account for its share of Federal Employee Retirement System costs, and requires that OPM calculate these costs using factors specific to the demographics of the Postal Service workforce. The Budget reflects an estimate of this surplus of \$1.5 billion, which is proposed to be paid to USPS over a period of two years; this amount is based off a preliminary estimate by OPM using Postal-specific factors including investment returns, salary growth rates, cost of living adjustments granted to Postal retirees, and Postal Service demographic trends. See Postal Service section of this Appendix. The Budget also proposes legislation to provide the Social Security Administration with authority to automate coordination of disability benefit payments with OPM, reducing OPM overpayments.

**EMPLOYEES LIFE INSURANCE FUND****Program and Financing** (in millions of dollars)

Identification code 024-8424-0-8-602	2014 actual	2015 est.	2016 est.
<b>Obligations by program activity:</b>			
0801 Basic life insurance payments .....	1,860	1,813	1,835
0802 Optional life insurance payments .....	1,152	1,285	1,302
0803 Shenandoah life insurance payments .....	1	1	1
0804 Administration—OPM & OIG .....	6	4	4
0805 Administration—long term care .....	5	5	5
0900 Total new obligations .....	3,024	3,108	3,147

**Budgetary resources:**

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	41,277	42,623	43,425
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	6	4	4
1750 Spending auth from offsetting collections, disc (total) .....	6	4	4
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	4,413	3,920	3,848
1801 Change in uncollected payments, Federal sources .....	-49	-14	5
1850 Spending auth from offsetting collections, mand (total) .....	4,364	3,906	3,853
1900 Budget authority (total) .....	4,370	3,910	3,857
1930 Total budgetary resources available .....	45,647	46,533	47,282
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	42,623	43,425	44,135

**Change in obligated balance:**

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	853	918	837
3010 Obligations incurred, unexpired accounts .....	3,024	3,108	3,147
3020 Outlays (gross) .....	-2,959	-3,189	-3,071
3050 Unpaid obligations, end of year .....	918	837	913
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-409	-360	-346
3070 Change in uncollected pymts, Fed sources, unexpired .....	49	14	-5
3090 Uncollected pymts, Fed sources, end of year .....	-360	-346	-351

EMPLOYEES LIFE INSURANCE FUND—Continued  
Program and Financing—Continued

Identification code 024-8424-0-8-602	2014 actual	2015 est.	2016 est.
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	444	558	491
3200 Obligated balance, end of year .....	558	491	562
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross .....	6	4	4
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....	4	4	4
4011 Outlays from discretionary balances .....	2		
4020 Outlays, gross (total) .....	6	4	4
<b>Mandatory:</b>			
4090 Budget authority, gross .....	4,364	3,906	3,853
<b>Outlays, gross:</b>			
4100 Outlays from new mandatory authority .....	2,102	2,267	2,317
4101 Outlays from mandatory balances .....	851	918	750
4110 Outlays, gross (total) .....	2,953	3,185	3,067
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4120 Federal sources .....	-538	-528	-531
4121 Interest on Federal securities .....	-1,167	-746	-626
4123 Non-Federal sources .....	-2,714	-2,650	-2,695
4130 Offsets against gross budget authority and outlays (total) ....	-4,419	-3,924	-3,852
<b>Additional offsets against gross budget authority only:</b>			
4140 Change in uncollected pymts, Fed sources, unexpired .....	49	14	-5
4160 Budget authority, net (mandatory) .....	-6	-4	-4
4170 Outlays, net (mandatory) .....	-1,466	-739	-785
4190 Outlays, net (total) .....	-1,460	-735	-781
<b>Memorandum (non-add) entries:</b>			
5000 Total investments, SOY: Federal securities: Par value .....	41,951	43,213	43,758
5001 Total investments, EOY: Federal securities: Par value .....	43,213	43,758	44,451

This fund finances payments to private insurance companies for Federal Employees' Group Life Insurance and expenses of the Office of Personnel Management in administering the program.

The Administration proposes that PTO will fund the accruing costs associated with post-retirement life insurance benefits for PTO's employees.

**Budget program.**—The status of the basic (regular and optional) life insurance program on September 30 is as follows:

	2014 act.	2015 est.	2016 est.
<b>Life insurance in force (in billions of dollars):</b>			
On active employees .....	722.9	717.9	713.0
On retired employees .....	97.9	102.3	106.9
Total .....	820.8	820.2	819.9
<b>Number of participants (in thousands):</b>			
Active employees .....	2,343	2,326	2,318
Annuity holders .....	1,628	1,601	1,574
Total .....	3,971	3,926	3,892

**Financing.**—Non-Postal Service employees, employees of Tribal organizations, and all retirees under 65 pay two-thirds of the premium costs for Basic coverage; agencies and tribal organizations pay the remaining third. Optional and certain post-retirement Basic coverages are paid entirely by enrollees. The status of the reserves at the end of the year is as follows:

Status of Reserves	2014 act.	2015 est.	2016 est.
<b>Held in reserve (in millions of dollars):</b>			
Contingency reserve .....	582	625	625
Beneficial association program reserve .....	0	0	0
U.S. Treasury reserve .....	43,213	42,826	43,529
Total reserves .....	43,795	43,452	44,154

**Object Classification (in millions of dollars)**

Identification code 024-8424-0-8-602	2014 actual	2015 est.	2016 est.
25.2 Reimbursable obligations: Other services from non-Federal sources .....	3,024	3,108	3,147

99.0	Reimbursable obligations .....	3,024	3,108	3,147
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## EMPLOYEES AND RETIRED EMPLOYEES HEALTH BENEFITS FUNDS

**Program and Financing (in millions of dollars)**

Identification code 024-9981-0-8-551	2014 actual	2015 est.	2016 est.
<b>Obligations by program activity:</b>			
0801 Benefit payments .....	46,072	47,632	50,412
0802 Payments from OPM contingency reserve .....	263	300	300
0803 Government payment for annuitants (1960 Act) .....	1	1	1
0804 Administration - operations .....	17	24	32
0805 Administration - OIG .....	21	17	17
0806 Administration - dental and vision program .....	18	17	17
0900 Total new obligations .....	46,392	47,991	50,779
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	20,700	20,755	21,498
<b>Budget authority:</b>			
<b>Spending authority from offsetting collections, discretionary:</b>			
1700 Collected .....	38	41	49
1750 Spending auth from offsetting collections, disc (total) .....	38	41	49
<b>Spending authority from offsetting collections, mandatory:</b>			
1800 Collected .....	46,240	48,588	51,802
1801 Change in uncollected payments, Federal sources .....	169	105	139
1802 Offsetting collections (previously unavailable) .....	1	1	1
1823 New and/or unobligated balance of spending authority from offsetting collections temporarily reduced .....	-1	-1	
1850 Spending auth from offsetting collections, mand (total) .....	46,409	48,693	51,942
1900 Budget authority (total) .....	46,447	48,734	51,991
1930 Total budgetary resources available .....	67,147	69,489	73,489
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	20,755	21,498	22,710
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	4,507	4,784	4,783
3010 Obligations incurred, unexpired accounts .....	46,392	47,991	50,779
3020 Outlays (gross) .....	-46,115	-47,992	-50,727
3050 Unpaid obligations, end of year .....	4,784	4,783	4,835
<b>Uncollected payments:</b>			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1,820	-1,989	-2,094
3070 Change in uncollected pymts, Fed sources, unexpired .....	-169	-105	-139
3090 Uncollected pymts, Fed sources, end of year .....	-1,989	-2,094	-2,233
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	2,687	2,795	2,689
3200 Obligated balance, end of year .....	2,795	2,689	2,602
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross .....	38	41	49
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....	24	41	49
4011 Outlays from discretionary balances .....	16		
4020 Outlays, gross (total) .....	40	41	49
<b>Mandatory:</b>			
4090 Budget authority, gross .....	46,409	48,693	51,942
<b>Outlays, gross:</b>			
4100 Outlays from new mandatory authority .....	41,584	43,094	45,842
4101 Outlays from mandatory balances .....	4,491	4,857	4,836
4110 Outlays, gross (total) .....	46,075	47,951	50,678
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4120 Federal Sources [OIG] .....	-32,873	-34,018	-36,143
4121 Interest on Federal securities .....	226	-273	-310
4123 Non-Federal sources .....	-13,631	-14,338	-15,398
4130 Offsets against gross budget authority and outlays (total) ....	-46,278	-48,629	-51,851
<b>Additional offsets against gross budget authority only:</b>			
4140 Change in uncollected pymts, Fed sources, unexpired .....	-169	-105	-139
4160 Budget authority, net (mandatory) .....	-38	-41	-48
4170 Outlays, net (mandatory) .....	-203	-678	-1,173
4180 Budget authority, net (total) .....			1
4190 Outlays, net (total) .....	-163	-637	-1,124

Memorandum (non-add) entries:				
5000	Total investments, SOY: Federal securities: Par value .....	23,429	23,558	24,436
5001	Total investments, EOY: Federal securities: Par value .....	23,558	24,436	25,594
5090	Unexpired unavailable balance, SOY: Offsetting collections .....	1	1	1
5092	Unexpired unavailable balance, EOY: Offsetting collections .....	1	1	.....

This display combines FEHB fund and the Retired Employees Health Benefits (REHB) fund.

The FEHB fund provides for the cost of health benefits for: 1) active employees; 2) employees who retired after June 1960, or their survivors; 3) those annuitants transferred from the REHB program as authorized by Public Law 93-246; and 4) tribal organizations. Beginning in 2016 OPM will offer a Self Plus One enrollment tier within the FEHB as enacted by the Bipartisan Budget Act of 2013.

The REHB fund, created by the Retired Federal Employees Health Benefits Act of 1960, provides for: 1) the cost of health benefits for retired employees and survivors who enroll in a Government-sponsored uniform health benefits plan; 2) the contribution to retired employees and survivors who retain or purchase private health insurance; and 3) expenses of OPM in administering the program.

**Budget program.**—The balance of the FEHB fund is available for payments without fiscal year limitation. Numbers of participants at the end of each fiscal year are as follows:

	2014 actual	2015 est.	2016 est.
Active employees .....	2,093,034	2,045,000	2,040,000
USPS active employees (non-add) .....	431,859	384,000	379,000
Annuityants .....	1,918,209	2,036,000	2,048,000
Tribal Organizations .....	11,043	13,804	13,804
Total .....	4,022,286	4,094,804	4,101,804

In determining a biweekly subscription rate to cover program costs, one percent is added for administrative expenses and three percent is added for a contingency reserve held by OPM for each carrier. OPM is authorized to transfer unused administrative reserve funds to the contingency reserve.

The REHB fund is available without fiscal year limitation. The amounts contributed by the Government are paid into the fund from annual appropriations. The number of participants at the end of each fiscal year are as follows:

	2014 actual	2015 est.	2016 est.
Uniform plan .....	95	78	64
Private plans .....	209	172	141
Total .....	304	250	205

**Financing.**—The funds are financed by: 1) withholdings from active employees and annuitants; 2) agency contributions for active employees; 3) Government contributions for annuitants appropriated to OPM; and 4) contributions made by the United States Postal Service in accordance with the provisions of Public Law 101-508.

Funds made available to carriers but not used to pay claims in the current period are carried forward as special reserves for use in subsequent periods. OPM maintains a contingency reserve, funded by employee and Government contributions, which may be used to defray future cost increases or provide increased benefits. OPM makes payments to carriers from this re-

serve whenever carrier-held reserves fall below levels prescribed by OPM regulations or when carriers can demonstrate good cause such as unexpected claims experience or variations from expected community rates.

The Budget proposes that the Patent and Trademark Office continue to fund the accruing costs associated with post-retirement health benefits for its employees.

#### Status of Funds (in millions of dollars)

Identification code 024-9981-0-8-551	2014 actual	2015 est.	2016 est.
Unexpended balance, start of year:			
0100 Balance, start of year .....	23,388	23,552	24,189
0199 Total balance, start of year .....	23,388	23,552	24,189
Cash income during the year:			
Current law:			
Offsetting collections:			
1280 Employees and Retired Employees Health Benefits Funds .....	32,873	34,018	36,143
1280 Employees and Retired Employees Health Benefits Funds .....	-226	273	310
1280 Employees and Retired Employees Health Benefits Funds .....	13,631	14,338	15,398
1299 Income under present law .....	46,278	48,629	51,851
3299 Total cash income .....	46,278	48,629	51,851
Cash outgo during year:			
Current law:			
4500 Employees and Retired Employees Health Benefits Funds .....	-46,115	-47,992	-50,727
4599 Outgo under current law (-) .....	-46,115	-47,992	-50,727
6599 Total cash outgo (-) .....	-46,115	-47,992	-50,727
Manual Adjustments:			
7690 Rounding adjustment .....	1	.....	.....
7699 Total adjustments .....	1	.....	.....
Unexpended balance, end of year:			
8700 Uninvested balance (net), end of year .....	-6	-247	-281
8701 Employees and Retired Employees Health Benefits Funds .....	23,558	24,436	25,594
8799 Total balance, end of year .....	23,552	24,189	25,313

#### Object Classification (in millions of dollars)

Identification code 024-9981-0-8-551	2014 actual	2015 est.	2016 est.
25.6 Reimbursable obligations: Medical care .....	46,392	47,991	50,779
99.0 Reimbursable obligations .....	46,392	47,991	50,779

## GENERAL FUND RECEIPT ACCOUNT

(in millions of dollars)

	2014 actual	2015 est.	2016 est.
Offsetting receipts from the public:			
024-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts: Enacted/requested .....	11	2	2
General Fund Offsetting receipts from the public .....	11	2	2

